The references to NorthclifFe in House's papers in the summer of 1917 all reflect increasing admiration and affection. " NorthclifFe is doing good work/[3] he cabled to England on nth August," and is getting along well with everyone."

Even Spring-Rice and the Embassy Staff found themselves getting on with Northcliffe far better than they had feared, and learned to modify *Embassy^ fa^fa* resentful prejudices against him.

Opinion ^ Just at t^le outset> when he was building up the organisation of the British Mission, and clearing out superfluous members of the staffs of the already established agencies, he perhaps roused more apprehension than confidence. But the keen spirits among our representatives soon learnt to appreciate the increased efficiency and smoother working of the machine under his powerful direction ; and if NorthclifFe could be ruthless, he could also be big-hearted and magnificently encouraging.

Among his most difficult problems was that of making satisfactory financial arrangements with America. By this time Britain had used up practically all the external credits which could easily be mobilised, and with the restriction alike of shipping and of civilian industry, our exports had fallen off very considerably. But our external purchases of munitions and supplies had vastly increased, and by this time we were also providing very extensive equipment and stores for our Allies on the Continent.

Financial SSc'a

American finance was not as yet accustomed to floating huge loans to the credit of foreigners. I have no doubt that as the money was being spent on purchases in the States, the sellers would have found means of raising adequate funds on the credit of such sound